THE MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN JAITLEY) : (a) Yes, Sir.

(b) Disinvestment in Public Sector Enterprises is a continuous process that was initiated in 1991 to provide market discipline to the performance of Public Enterprises and to promote greater accountability in them. Later in 1996, the policy provided for the examination of the question of withdrawing the Public Sector from non core strategic areas, to establish a Disinvestment Commission to advise on disinvestment and to implement decisions to disinvest after considering the advice of the Commission. The disinvestment policy after 1998-99 provides for bringing down Government equity in all non strategic Public Sector Undertakings (PSUs) to 26% or lower, if necessary and also to restructure and revive potentially viable PSUs, close down PSUs which can not be revived and to fully protect the interest of workers. The withdrawal of the Public Sector Enterprises from non strategic areas would not be automatic and would depend upon whether the industrial sector requires the presence of the public sector as countervailing presence to prevent strengthening of power in private hands and whether the industrial sector requires a proper regulatory mechanism to protect the consumer's interest before Public Sector Enterprises are privatised The policy is thus a judicious mix of withdrawal of tax payers money from volatile markets and strengthening the public sector where necessary. The policy would ensure better use of human and other capital assets in the Public Sector Enterprises and more competition in each sector. The tax-payers money released through disinvestment would be used in higher priority programmes like health and education, retiring of Government debt and for restructuring and strengthening identified PSUs.

Sale of Hindustan Prefab Ltd.

4463. SHRI J. CHITHARANJAN: Will the Minister of DISINVESTMENT be pleased to state :

(a) whether it is a fact that the Disinvestment Commission in its 5th Report of November, 1997 had recommended a strategic sale of Hindustan Prefab Ltd., a Delhi based PSU, with the stipulation that Government will retain 26 per cent of the equity and the strategic buyer would inject new technology into the operations of the company and run the company;

(b) whether it is also a fact that these recommendations have been set aside and Government are planning closure of the company which is a growing concern and is paying its statutory dues; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN JAITLEY) ; (a) Yes, Sir.

(b) and (c) No such decision has been taken.

Equity Sale of twelve PSUs

4464. SHRI J. CHITHARANJAN :

SHRI PARMESHWAR KUMAR AGARWALLA :

Will the Minister of DISINVESTMENT be pleased to state :

(a) whether it is a fact that Government have indentified twelve public sector undertakings for substantial equity sale alongwith management transfer;

(b) if so, by when and the names of these PSUs; and

(c) the targeted revenue mobilisation through this equity sale?

THE MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN JAITLEY): (a) to (c) Disinvestment is a continuous process and many PSEs remain under consideration of the Government for disinvestment. Disinvestment is carried out in a PSE after considering various factors like market conditions, financial performance of the Company, the advise of the professional Consultants and views of the concerned Ministries. Under the circumstances, it is not possible to name any PSEs for disinvestment in future.

Role of PSUs and disinvestments

4465. SHRI GHULAM NABI AZAD : Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state :

(a) whether there are any differences between him and Prime Minister on the role of PSUs and disinvestments;

(b) if so, the reasons with particulars thereof;

(c) whether out of 235 PSUs only 127 made profits in 1998-99; and

(d) if so, what factors led to the fall in profit?